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Implementation of decision 5/2 of the fifth session of the United Nations Forum on Forests

Note verbale dated 29 November 2005 from the Permanent Mission of Germany to the United Nations addressed to the Secretary-General

The Permanent Mission of Germany to the United Nations presents its compliments to the Secretary-General of the United Nations and has the honour to submit herewith the final report of the International Expert Meeting "Scoping for a future agreement on forests", which was held in Berlin from 16 to 18 November 2005 (see annex).

The Meeting, hosted by the Government of Germany, was a country-led initiative in support of the United Nations Forum on Forests, co-sponsored by the Governments of Austria and Switzerland and the Global Mechanism of the United Nations Convention to Combat Desertification in Those Countries Experiencing Serious Drought and/or Desertification, Particularly in Africa. It gathered together 152 experts from 87 countries, organizations and major groups.

The Permanent Mission of Germany to the United Nations requests the Secretary-General to include this report among the documentation for the sixth session of the United Nations Forum on Forests, to be held from 13 to 24 February 2006.

* E/CN.18/2006/1.

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Annex to the note verbale dated 29 November 2005 from the Permanent Mission of Germany to the United Nations addressed to the Secretary-General

Report of the Co-Chairmen of the International Expert Meeting "Scoping for a future agreement on forests"

The International Expert Meeting "Scoping for a future agreement on forests", a country-led initiative in support of the United Nations Forum on Forests, was held in Berlin from 16 to 18 November 2005.

The Meeting, hosted by the Government of Germany, was co-sponsored by the Governments of Switzerland and Austria and the Global Mechanism of the United Nations Convention to Combat Desertification in Those Countries Experiencing Serious Drought and/or Desertification, Particularly in Africa. It was guided by an International Steering Group, composed of representatives from Cameroon, Costa Rica, Mexico, the Philippines, Malaysia, India, Austria, Switzerland and the Forum secretariat.

The key objective of the International Expert Meeting was to advance the basis for consensus at the sixth session of the Forum in February 2006 on a future international agreement on forests.

Its task was to explore and develop further some of the concepts and ideas on the future of the international arrangement on forests that had been touched upon in the Chairman's text presented to the Forum at its fifth session[a] and needed further clarification.

More specifically, the meeting discussed the following issues:

1. Voluntary "code": What do we understand by it? How would a voluntary instrument make a difference?

2. Implementation/means of implementation/reviews and feedback: how to better address and orchestrate them to mark real progress in the future.

3. Regional activities: What concrete role could regional processes, partnerships or bodies play in any future agreement on forests so as to add value to improved action at the national/international level?

The three above-mentioned issues were discussed in six parallel working groups, each of them focusing on one theme only. Background and "thought starter" papers were elaborated for each of the topics.

The meeting was opened by Dr. Uschi Eid, Deputy Minister for Economic Cooperation and Development of Germany. Mr. Pekka Patosaari, head of the Forum secretariat, addressed the Meeting. Ambassador Judith Bahemuka (Kenya), and Mr. Franz Perrez (Switzerland), also addressed the Meeting during its closing session.

The Meeting was open-ended and attended by experts from Forum member countries, member organizations of the Collaborative Partnership on Forests, major groups and regional organizations as well as from the secretariat and Bureau of the

sixth session of the Forum, all acting in their personal capacity. The total number of participants was 152 persons from 87 countries.

The Meeting was co-chaired by Mr. Joseph Claude Abena (Cameroon) and Mr. Matthias Schwoerer (Germany).

The Co-Chairmen take full responsibility for the present report, which highlights the main issues discussed and the main findings of the Meeting. It describes the general perceptions of the participants but does not imply that a consensus was reached on all elements considered in this report. Furthermore, it was not possible to take into account all comments made during the meeting. To fully understand the conference proceedings, the proceedings report can be consulted additionally.

The Meeting was covered by Reporting Service of the International Institute for Sustainable Development.

I. Non-legally binding instrument

The participants noted that the discussion on the subject of a non-legally binding instrument did not prejudice the opinion of some participants that a legally binding instrument would be preferable and that some issues could perhaps be easier addressed under a legally binding instrument. While it was noted that there was a need for a clear definition of the term "instrument", it was understood that a non-legally binding instrument could have various forms or designations that might include, among others: voluntary code, guidelines, international understanding, global programme of action and declaration. However, it was agreed that at this stage, the focus should not be on the designation but on the contents and other aspects of the non-legally binding instrument.

Based on this understanding, the participants discussed a number of issues, including expectations arising from the consideration of a non-legally binding instrument, its nature and content, purpose and objectives, and degree of commitment, as well as the added value to the existing Intergovernmental Panel on Forests/Intergovernmental Forum on Forests proposals for action and other non-legally binding instruments and legally binding instruments.

In general, the participants took the view that there was an urgent need to raise the awareness of forest issues to a higher level. On the question how to leverage high-level political commitment, the participants underlined the equal importance of both the substance and the form of a non-legally binding instrument, which would highlight the cross-sectoral aspects of forests and the goods and services they provided to society, and was supported by stakeholders at all levels.

While some participants were of the opinion that a non-legally binding instrument could be the easiest achievable option at this moment, some regarded it as a first step towards a legally binding instrument. Others expressed their doubts whether a non-legally binding instrument would have added value given the fact that many forest-related non-legally binding instruments already existed. Some participants referred to the Food and Agriculture Organization of the United Nations (FAO) Code of Conduct for Responsible Fisheries as a possible "model" for structuring a non-legally binding instrument.

Participants took the view that the added value of a non-legally binding instrument to the existing Intergovernmental Panel on Forests/Intergovernmental Forum on Forests proposals for action would depend on the actual contents of a new non-legally binding instrument and on the extent to which it could go further than what had been achieved so far. It could fill existing gaps and address the existing fragmentation.

Participants considered that a non-legally binding instrument should secure high-level political commitment, and focus strongly on implementation, including the means of implementation. It should address better access to financial resources and capacity-building. Innovative methods of mobilizing finance should be explored. However, it was argued that previous experience had shown that there were no guarantees that a non-legally binding instrument could assure high-level political commitment.

Some participants considered that a non-legally binding instrument could serve as an "umbrella" for the existing forest-related conventions and agreements, contribute to the achievement of the Millennium Development Goals, stimulate international cooperation, enhance participation of all relevant stakeholders, set common goals and time-bound targets and build on the existing Intergovernmental Panel on Forests/Intergovernmental Forum on Forests proposals for action, and resolutions and decisions of the United Nations Forum on Forests, as well as other non-legally binding instruments and legally binding instruments. It should take into account national sovereignty and form a basis for action on the ground.

Participants underscored that a non-legally binding instrument should reflect the commitment of all Governments, provide a basis for monitoring, assessment, reporting and review of progress on the implementation of sustainable forest management, and contribute to the implementation of national forest programmes, while taking into account the specific features of countries and regions.

Some participants were of the opinion that the possibility of developing a universal non-legally binding instrument with an active subscription format should be further explored. While subscription would not alter the legal status of the instrument, some participants argued that it would be conducive to creating national and international commitment. It would also stimulate active involvement by the general public. Others argued that a subscription process might lead to non-universality of adherence and that some important forest countries might be left behind.

Recommendations for the United Nations Forum on Forests at its sixth session

Although the participants did not agree on the recommendations to be transmitted to the United Nations Forum on Forests at its sixth session, the following suggestions and elements regarding a new non-legally binding instrument were put forward:

- A strong non-legally binding instrument could form a middle ground for countries either in favour of or against a legally binding instrument.
- To provide policy guidance rather than technical guidelines.

- To use subscription as a more specific expression of interest of the parties involved
- To set clear time-bound quantifiable goals and targets for sustainable forest management and match them with the means of implementation
- To further create common understanding on, while acknowledging the seven thematic elements of, sustainable forest management
- To build on existing arrangements and provide strong linkages with other forest-related instruments
- To avoid duplication and repetition and counteract fragmentation
- To take into account regional economic, social and environmental priorities and regional needs and specific features and make use of regional processes and bodies
- To ensure effective implementation and compliance
- To strengthen collaboration with the Collaborative Partnership on Forests and enhance its role
- To address cross-cutting issues; and create linkages to the sustainable development agenda and the achievement of the Millennium Development Goals
- To involve all stakeholders
- To strengthen coordination and international cooperation
- To consider financial arrangements, institutional arrangements, working modalities and a review mechanism
- To make available the means for implementing sustainable forest management

II. Implementation and means of implementation

Participants built upon the results of various expert meetings that had already dealt with the means of implementation and discussed the issues especially highlighted in the Chairman's draft texts presented at the fifth session of the United Nations Forum on Forests. Participants made suggestions and recommendations concerning the use of planning processes to better integrate sustainable forest management with other policies. They touched upon enabling conditions and access to resources for sustainable forest management and dealt with the structure for the means of implementation of a possible new international arrangement on forests. Some deliberations on reporting and compliance followed. One cross-reference to the potential role of the regional level was highlighted.

A. Planning processes

Participants underlined the need to create better synergies between implementing sustainable forest management and implementing activities in related areas, such as climate change, biodiversity, desertification, poverty eradication, improvement of rural livelihoods and others, and to address the root causes of

deforestation. It was commonly expressed that countries should make sustainable forest management a higher priority, with clear forest-related goals in national development strategies and that there was a need to integrate it comprehensively into different wider strategies through, inter alia:

- Inclusion of the national forest programme in the socio-economic development agenda, including macroeconomic policy
- Addressing cross-cutting issues and coordination with other sectors
- Developing mechanisms to share the costs of forest management with other beneficiary sectors (for example, water, mining, energy)

As regards the improvement of planning, implementation and reporting, it was proposed that national targets be defined based on global goals and that other sectors be involved at an early stage.

1. Monitoring

The following indicators were identified as means to monitor the flow of resources dedicated to sustainable forest management:

- Achievement of national goals/targets
- Extent of forest resources (natural and planted)
- Change in forest cover
- Extent of forest resources managed sustainably
- Number of skilled personal power in forest management
- Percentage of budget directly invested in forest management, protection and payment for services
- Percentage of gross national income (GNI) dedicated to official development assistance (ODA) and percentage of ODA addressing forest-related issues

2. Recommendations

With regard to national planning, it was suggested that the United Nations Forum on Forests and the Collaborative Partnership on Forests could help countries to integrate forest policies into their national development strategies. This could be achieved within the framework of a United Nations Forum on Forests action plan. Although the participants came to no final conclusion about the scope and function of an action plan and whether it would include a workplan/programme of work, it was felt that such an action plan could add value by being more focused and simpler than the Intergovernmental Panel on Forests/Intergovernmental Forum on Forests proposals for action.

The possible sequence of implementing such an action plan would comprise:

- National planning to draw on United Nations Forum on Forests guidance (and/or goals)
- Country reporting to the United Nations Forum on Forests based on this guidance (and/or goals)
- United Nations Forum on Forests to assess progress towards the guidance

- Adaptation of the action plan in the light of needs identified through national reporting and the assessment made

B. Enabling conditions

1. Creating enabling conditions at national level

Preconditions for effective implementation at the national level were considered to be political and macroeconomic stability and good governance. To attract funding, countries must be able to prove their capacities to realize projects. Cross-sectoral cooperation should be encouraged at national and international levels. National action plans, such as national forest programmes, could assist in mobilizing financial resources and include mechanisms and possible sources for capacity-building and financial support for their implementation.

2. Capacity-building

Existing activities in capacity-building were welcomed and considered effective, although it was felt that it was still possible to strengthen and broaden these existing efforts. Exchange of best practice, field trips and technical cooperation programmes should be expanded. The United Nations Forum and Forests could be asked to study the proposal of creating a clearing house on capacity-building. The expansion of the capacity of Collaborative Partnership on Forests members to respond to increasing demand for technical support, especially through the National Forest Programme Facility (Food and Agriculture Organization of the United Nations (FAO)) and the Programme on Forests (PROFOR) hosted by the World Bank, was also promoted.

3. International/national financial resources

It was suggested that there was a need to strengthen framework conditions and better communicate incentives to provide funding and investment in the forest sector. International resources should be used to complement and leverage national resources. It was also felt that a more equitable distribution of resources among countries should be achieved on the basis of indicators. A legally binding instrument was considered necessary by some participants in order to effectively generate national and international resources. A financial mechanism based on a global tax on international trade in forest products was considered.

4. Recommendations

- The possibility of establishing a global trust fund could be explored. The trust fund could bundle existing funding flows as well as new and additional resources
- ODA, although necessary for many countries, was not sufficient to finance sustainable forest management. Incentives for the private sector should be developed within public-private partnership frameworks. Conditions for investments must be improved
- Build incentives to reinvest forest gains on a long-term basis and develop financial instruments, like endowment funds for sustainable forest management, funded from public and private sources

- Foster innovative financing of sustainable production of forest goods and services
- Study the feasibility of providing compensation for preserving natural forests and decrease deforestation
- A financial framework/platform for sustainable forest management could expand on the work of international financing institutions and build upon the National Forest Programme Facility and PROFOR to focus on resource mobilization at the national, regional and international levels, community-based and private sector investment, international public finance and payments for environmental services
- Any such framework/platform to attract financing should be directly linked to the international arrangement on forests and its priorities

C. Structure

There was consensus with respect to retaining the existing structural elements of the International Arrangement on Forests, such as the United Nations Forum on Forests, the Collaborative Partnership on Forests, focal points, major groups and country-led initiatives. Participants pointed out that proposals on structures depended on the future format of the International Arrangement on Forests. Nevertheless, it was considered important to find a mechanism that created a more direct link/mandate with respect to the Collaborative Partnership on Forests through which to respond to Forum recommendations and to promote the synchronization of the forest-related work of international organizations.

Recommendations

It was recommended that new elements be included in the existing International Arrangement on Forests such as:

- Establishment of a plan of action of the United Nations Forum on Forests, also implemented through the Collaborative Partnership on Forests
- Establishment of a financial framework for sustainable forest management
- Establishment of a technical/scientific body under the United Nations Forum on Forests
- Reporting and monitoring on global goals

D. Reporting

A range of issues was considered with regard to reporting on national implementation. There was a consensus that national reporting should be based on and reflect global goals and/or United Nations Forum on Forests guidance. Assessments should also be made for the regional level. Governing bodies of members of the Collaborative Partnership on Forests should also be encouraged to reflect on Forum goals and/or guidelines.

E. Compliance

The view was expressed that compliance should be looked at as a two-way process in terms of both donors and implementers. It was stated that it would be difficult to enforce compliance without a legal instrument. In general, successful compliance will depend on transparency and incentives. Peer reviews were seen as a basic element of compliance.

F. Regional level

The regional level was identified as being highly relevant for the identification of means of implementation. It could also help to promote information-sharing (particularly on access to finance and good practice), strategy development, institutional structures, funding and peer review.

III. Regionalization

In a general discussion, participants shared the view that regional processes were of great importance because they tended to better reflect national circumstances of countries of a certain region. Regional processes would complement and not substitute for those at the international level.

While participants generally underlined that there needed to be a strengthened link between regional processes and the United Nations Forum on Forests, there was no consensus on whether regional Forum discussions would improve on current activities at the regional level and whether there would not be a duplication of mechanisms already in place. In any case, many participants felt that no new regional process should be created in the framework of the International Arrangement on Forests.

The following resource constraints related to the strengthening of regional processes within the International Arrangement on Forests were identified:

- Need to capture funds from the United Nations and other existing sources
- Possible weakening of some regional organizations by resource constraints
- Costs for travelling, preparation and participation (no consensus on whether costs would be higher or lower)
- The fact that countries did not want the extra reporting burden
- Possible language barriers (need for interpretation), although in some regional processes language and cultural similarities might turn out to be an advantage

Subsequently, three issues were discussed:

(a) Added value and limitations of regionalization;

(b) Possible principles and functions of the regional component;

(c) Possible structures and roles of regionalization.

A. Added value and limitations of regional processes

Building on the experience gained from existing processes, there was a discussion of a comprehensive list of both possible advantages and possible disadvantages or limitations of regional processes, which were clustered into four major subheadings.

1. Information exchange/knowledge management

- *Advantages*: common understanding of issues, harmonization of views, raising awareness, feedback mechanism, translation of global concerns to members, harmonization between regional and national stakeholders and creation of synergies through focusing on special regional (forestry) features and needs, thematic priority-setting to meet regional needs, target-setting for regions and countries, facilitation of specific arrangements, developing regional approaches and policies for common regional problems, identification of future actions and opportunities, cultural language similarities
- *Limitations*: increased administrative and reporting burden, generalization of specific problems, language barriers

2. Cooperation and participation

- *Advantages*: involvement and participation of major groups, concrete projects and cooperation, fostering negotiations, coordination of activities, lower costs of participation in the region, more intense participation, involvement of and visible role for stakeholders, wider participation from a broader range of countries, better political commitment through linkages established between international and national forest priorities, increase in sector-bridging engagement for sustainable forest management, easier attainment of common positions among countries in international forums
- *Limitations*: need for capacity-building of major groups to act quickly, not necessarily all countries of a region would participate

3. Implementation at national level

- *Advantages*: increased commitment at the country level, pooling of scarce resources, implementation of international agreed commitments, exchange of experiences and lessons learned, better technical — not only political — knowledge of conditions in the region, increased sector-bridging engagement for sustainable forest management, involving cross-sectoral partners and civil society
- *Limitations*: countries participate in regionally promoted implementation actions on a voluntary basis, often no efficient link between Government and other actors

4. Strengthening an International Arrangement on Forests

- *Advantages*: higher-level political commitment on national, regional and international levels, global commitments in regional context, increase in involvement of major groups, better coordination and harmonization of the range of regional approaches and policies already in place, catalysing of work

of the Collaborative Partnership on Forests at regional level and strengthening of partnerships and outcomes, increased implementation

- *Limitations*: lowering of forest importance in the global policy agenda, diverting attention from the International Arrangement on Forests, less coherence of global dialogues, breaking the global discussions down into parts (global problems need to be addressed globally), risk of missing participation of the Collaborative Partnership on Forests (owing to lack of resources), creation of problems by linking regions and the United Nations Forum on Forests

B. Possible principles and functions of the regional component

The following principles and functions were thought to be important for a regional component.

1. Principles

- Global policy level can help to formulate regional strategies as well as implementation-oriented regional policies on country level and vice versa; a strong regional policy can feed back to the global level
- Technical support from Collaborative Partnership on Forests members has to reach the regional level
- Besides global and regional benefits, it is important that there be benefit to the countries, in particular, from regionalization

2. Possible functions of the regional component

- Networking, exchange of information and experiences
- Coordination and enhanced implementation
- Enhanced monitoring, assessment and reporting through monitoring of issues specific to the region and assistance to countries in their reporting
- Facilitation of increased participation and involvement of stakeholders
- Attracting financing through cooperation and partnerships

C. Possible structures and roles of regionalization

The participants discussed six possible options with regard to regionalization:

(a) Global meetings in regions;

(b) Regional United Nations Forum on Forests meetings in cooperation with regional commissions;

(c) Regional United Nations Forum on Forests meetings in collaboration with FAO Regional Forestry Commissions;

(d) Regional organizations and processes;

(e) Combination of (a), (b) and (c);

(f) No new regional United Nations Forum on Forests process, but a strengthening of other regional organizations.

Participants generally felt that for deciding on an option, which might be different for each region, the following selection criteria could be applied:

- Inclusive and balanced participation (countries, major groups and the Collaborative Partnership on Forests)
- Cost-effectiveness
- Ensures political commitment
- Facilitates implementation of sustainable forest management
- Increases range of issues being discussed
- Ensures better representation of issues in different regions
- Improves cross-sectoral linkages and avoids duplication of work
- Creates collaborative atmosphere within which to agree on issues
- Eases monitoring, assessment and reporting
- Attracts financial resources (public/private)

It was considered that guidance was needed from the International Arrangement on Forests with respect to enhancing and strengthening regional processes, for example, in terms of:

- Policy framework for global and regional forest processes
- Acknowledgement of regional level
- Promotion of regional, subregional and interregional cooperation
- Funds and modalities of participation of major groups
- Support for regional organizations in enhancing cross-sectoral integration
- Help to raise the political profile of forests through linkages to other high-profile issues like the Millennium Development Goals, water, climate change, etc.

Participants furthermore expressed the need to enhance and strengthen support from the Collaborative Partnership on Forests through, inter alia:

- Improving the information base and scientific assessment
- Promoting links between science and policy
- Promoting the better use of national forest programmes and the National Forest Programme Facility
- Enhancing exchange of good practices and developing guidelines and best practices
- Technical and technological support
- Supporting monitoring of sustainable forest management, conservation issues, the follow-up to multilateral environmental agreements and gender issues

Participants discussed how regionalization could increase the mobilization of both information and financial resources. Ideas centred around raising the political commitment for forests by promoting transparency, strong national forest commitments and political will (for example, countries' contributing to the regional processes in which they were involved).

The view was also voiced that better regional cooperation between Governments and the private sector could increase funding. Regional processes could also assist in achieving better coordination in order to help pool scarce resources.

D. Recommendations for the sixth session of the United Nations Forum on Forests

- With regard to global United Nations Forum on Forests meetings rotating in regions, there was no overall consensus on this topic, and advantages and disadvantages were discussed. While increased political commitment in the host region, greater public awareness through media attention, more country participation from the host region and less formality were seen as main advantages, the potential for increasing costs of holding the meeting and not necessarily decreasing travel costs was seen as a disadvantage
- It was generally felt that there was a need to strengthen the link between the regional and the international level, but that there was a need for regional United Nations Forum on Forests meetings was largely doubted
- Meaningful participation of regional intergovernmental organizations in United Nations Forum on Forests meetings should be promoted

IV. Cross-cutting issues

The deliberations during the meeting revealed that there were some issues of importance for all three topics of the meeting:

- Enhancing political commitment and support and raising awareness on forests
- Addressing the cross-sectoral perspective
- Strengthening implementation of internationally agreed action
- Avoiding duplication of content and mechanisms
- Using and taking into account existing structures and instruments
- Taking account of regional priorities, needs and special features
- Improving financial resources and access to them
- Improving means of implementation and access to them
- Increasing scientific and technical support as well as capacity development in general
- Identifying the need for advancing beyond the status quo

Notes

[a] See *Official Records of the Economic and Social Council, 2005, Supplement No. 22* (E/2005/42), chap. I, sect. B, decision 5/2, annex.